

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PENNSYLVANIA - LOSS PAYMENT

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE PART

In the IV. LOSS CONDITIONS section, paragraph E. Loss Payment is replaced by the following:

E. Loss Payment

1. In the event of loss or damage covered by this Coverage Part, at our option we will either:
 - a. Pay the value of lost or damaged property;
 - b. Pay the cost of repairing or replacing the lost or damaged property;
 - c. Take all or any part of the property at an agreed or appraised value; or
 - d. Repair, rebuild or replace the property with other property of comparable kind and quality.
2. We will give notice of our intentions within 15 days after we receive the sworn proof of loss.
3. We will not pay you more than your financial interest in the Covered Property.
4. We may adjust losses with the owners of lost or damaged property if other than you. If you pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
5. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
6. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
 - a. We have reached agreement with you on the amount of loss; or
 - b. An appraisal award has been made.

539

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------------------------|---------------|----|-----------------|-----|----------------------|-------------------|
| D | PAS 35821230 | | 18840363 | 150 | M008912281-001-00001 | NONE |
| BRANCH ZURICH GROUP-CO | | | | | | RP EFF 09/29/2003 |

**ZURICH**

PRECISION PORTFOLIO POLICY
FORMS AND ENDORSEMENTS APPLICABLE
PRECISION AMERICA
ASSURANCE COMPANY OF AMERICA

| FORM NUMBER | | PROP | LIAB | AUTO | UMB | FORM OR ENDORSEMENT NAME |
|-------------|------|------|------|------|-----|--|
| * 740276 | 0502 | | | | | WHOLESALE JACKET |
| * 9S5006 | 0300 | | | | | POLICY COVER PAGE - ASSURANCE COMPANY OF AMERICA |
| * 15170 | 0496 | | X | | | ASBESTOS EXCLUSION |
| * 9S5016 | 0300 | | | | | POLICY INDEX - PROPERTY, LIABILITY AND UMBRELLA COVERAGE PARTS |
| * 9S5007 | 0300 | | | | | COMMON POLICY DECLARATIONS |
| * 9S5008 | 0300 | | | | | COMMON SUPPLEMENTAL DECLARATIONS |
| * 9S5008 | 0300 | X | X | | | SUPPLEMENTAL DECLARATIONS |
| * 1L0017 | 1198 | | | | | COMMON POLICY CONDITIONS |
| * 9C0034 | 0599 | | | | | AMENDATORY ENDORSEMENT - POLICY TERM |
| * 1L0246 | 0702 | | | | | PENNSYLVANIA CHANGES - CANCELLATION AND NONRENEWAL |
| * 1L0910 | 0702 | X | X | | | PENNSYLVANIA NOTICE |
| * 9S1016 | 0300 | X | | | | PROPERTY DECLARATION |
| * 9S1017 | 0300 | X | | | | BUILDING AND PERSONAL PROPERTY SCHEDULE |
| * 9S1001 | 0499 | X | | | | BUILDING AND PERSONAL PROPERTY COVERAGE FORM |
| * 9S1220 | 0701 | X | | | | EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES |

* These forms are attached. Remaining forms were attached to a previous copy of the policy.

COMMON
9S5009 Ed. 3-00

INSURED'S COPY

07/24/2005

501

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------------------------|---------------|----|-----------------|-----|----------------------|-------|
| D | PAS 36821230 | | 18840363 | 150 | MO08912281-001-00001 | NONE |
| BRANCH ZURICH GROUP-CO | | | | | RP EFF 09/29/2003 | |

**ZURICH**

PRECISION PORTFOLIO POLICY
FORMS AND ENDORSEMENTS APPLICABLE
PRECISION AMERICA
ASSURANCE COMPANY OF AMERICA
(CONTINUED)

| FORM NUMBER | PROP | LIAB | AUTO | UMB | FORM OR ENDORSEMENT NAME |
|-------------|------|------|------|-----|--|
| * CG2010 | 0397 | X | | | ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION |
| * CG2015 | 1188 | X | | | ADDITIONAL INSURED - VENDORS |
| * CG2147 | 0798 | X | | | EMPLOYMENT-RELATED PRACTICES EXCLUSION |
| * 983104 | 0900 | | | X | EMPLOYMENT-RELATED PRACTICES EXCLUSION |
| * 9C2319 | 0698 | X | | X | EXCLUSION - YEAR 2000 AND OTHER DATE RELATED PROBLEMS |
| * CG2026 | 1185 | X | | | ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION |
| * 1L0021 | 0702 | X | | | NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (BROAD FORM) |
| * 985021 | 0300 | | | X | AMENDMENT OF INSURING AGREEMENT KNOWN INJURY OR DAMAGE |
| * 982001 | 0196 | | | X | COMMERCIAL UMBRELLA DECLARATIONS |
| * 988036 | 0196 | | | X | PENNSYLVANIA AMENDATORY ENDORSEMENT |
| * 982003 | 0196 | | | X | COMMERCIAL UMBRELLA COVERAGE FORM |
| * 984004 | 0196 | | | X | AUTO LIABILITY - FOLLOWING FORM |
| * 985001 | 0196 | | | X | AMENDMENT - AGGREGATE LIMIT OF INSURANCE (PER LOCATION) |
| * 985013 | 0901 | | | X | UMBRELLA AMENDATORY ENDORSEMENT |

* These forms are attached. Remaining forms were attached to a previous copy of the policy.

COMMON

955009 Ed. 3-00

INSURED'S COPY

07/24/2005

UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF PENNSYLVANIA

Civil Action No. _____

Robert Real,

Plaintiff,

v.

J. Marcus Wholesalers, Inc.
and Phil Marcus,

Defendants.

03 14 39
J. MARCUS WHOLESALE, INC.
DISTRICT COURT
CLERK
SEP 26 PM 4:19

FILED

COMPLAINT

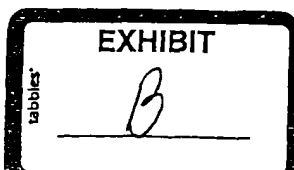
Plaintiff, Robert Real, for its complaint against Defendants, J. Marcus Wholesalers and Phil Marcus, avers as follows:

THE PARTIES

1. Plaintiff, Robert Real, is an individual residing in Miami-Dade County, Florida, and *sui juris*.

2. Upon information and belief, Defendant J. Marcus Wholesalers, Inc. ("JMW") is a Pennsylvania corporation with a principal place of business at 1728 Smallman Street, Pittsburgh, PA 15222. Upon information and belief, Defendant is in the business of selling diverse goods and merchandise, including flags.

3. Upon information and belief, Defendant Phil Marcus (a) is a principal in JMW; (b) was the moving, acting force behind JMW's infringements; and (c) either (1) had the ability to supervise the infringing activities and had a financial interest in them, or (2) personally participated in those activities.



JURISDICTION AND VENUE

4. This is an action for patent and copyright infringement under the patent laws (35 U.S.C. § 1 et seq., and particularly 35 U.S.C. § 275) and copyright laws (17 U.S.C. § 101 et seq.) of the United States.

5. This court has subject matter jurisdiction under 28 U.S.C. §§ 1331, -1332, and -338.

6. Jurisdiction over the common law count is conferred upon this Court because there is a common nexus of operative facts giving rise to the substantial federal claims and to the state cause of action. This court has subject matter jurisdiction under 28 U.S.C. § 1338 to hear the unfair competition claim, which is joined with the patent and copyright claims.

7. Judicial economy, convenience, and fairness to the parties will result if this Court assumes and exercises its subject matter jurisdiction over all causes of action alleged herein.

8. This court has personal jurisdiction over the Defendants inasmuch as they may be served in the district.

9. Venue is proper under 28 U.S.C. § 1400(a) and (b) because the Defendants reside and may be found in this district.

COUNT I
INFRINGEMENT OF U.S. PATENT NO. D 464,590

10. Plaintiff incorporates the averments in Paragraphs 1 through 9 as though restated herein in their entirety.

11. On October 22, 2002, U.S. Design Patent No. D 464,590 entitled "Flag" (the "Flag Patent") was duly and legally issued in the name of the inventor,

Robert Real. A copy of the Flag Patent is attached as Exhibit "1" to the Complaint.

12. Upon information and belief, Defendants have been and are infringing the Flag Patent, in violation of 35 U.S.C. § 271(a), by importing, making, using, selling, and/or offering for sale, without license or authority from Plaintiff, in this district and elsewhere in the United States, flags which embody the novel features of the design claimed in the Flag Patent.

13. Upon information and belief, Defendants will continue to infringe the Flag Patent unless enjoined by this Court.

14. Plaintiff has been damaged by Defendants' infringement of the Flag Patent, and will continue to be damaged by that infringement, unless Defendants' infringement is enjoined by this Court.

15. Upon information and belief, Defendants have long had actual or constructive notice of the Flag Patent, and their prior and continuing infringement thereof was and continues to be willful and deliberate.

16. Plaintiff formally notified Defendants that they were infringing Plaintiff's rights in a letter dated June 10, 2003. Exhibit "2."

WHEREFORE, for its relief, Plaintiff Robert Real prays that:

A. Defendants, their officers, agents, servants, employees and attorneys and all persons in active concert or participation with them, be enjoined, preliminarily and permanently, from importing, making, using, and selling or offering for sale goods that infringe U.S. Patent No. D 464,590.

- B. Defendants be required to deliver to be impounded, during the pendency of this action, and destroyed upon conclusion of this action, all material which infringes Plaintiff's patent.
- C. Defendants be required to notify each recipient of Defendants' infringing works that Plaintiff Robert Real is the owner of the patent at issue.
- D. Plaintiff be compensated for the damages caused by Defendants JMW's and Phil Marcus' infringement under 35 U.S.C. § 284 in an amount to be determined by an accounting, but not less than a reasonable royalty, plus interest;
- E. The award of damages be trebled as provided by 35 U.S.C. § 284 for willful infringement;
- F. Plaintiff Robert Real be awarded its costs and attorneys' fees incurred in prosecuting this action, as provided by 35 U.S.C. § 285, plus interest.
- G. This honorable court award such other and further relief as it deems just and proper.

COUNT II
COPYRIGHT INFRINGEMENT

17. Plaintiff incorporates the averments in Paragraphs 1 through 9 as though restated herein in their entirety.

18. Plaintiff is the creator of an original work of authorship consisting of a flag design, and in October 9, 2001, Plaintiff obtained a copyright registration of that two-dimensional artwork (the "Flag Copyright"). A copy of U.S. Certificate of Copyright Registration No. Vau 530-815 is attached hereto as Exhibit "3."

19. Plaintiff has been and is the sole owner of all rights, title, and interest in and to U.S. Copyright Vau 530-815 for the Flag Copyright.

20. Since the effective date of its copyright registration, Plaintiff has offered for sale, and sold to the public his copyrighted artwork. The copyrighted artwork is advertised online, through brochures and catalogs, and in various other manners customary in the trade. See Plaintiff's Exhibit "4," attached hereto.

21. Upon information and belief, subsequent to the effective date of Copyright Registration No. Vau 530-815, Defendants reproduced flags either substantially similar or identical to Plaintiff's copyrighted work. Defendants have widely published, distributed, and sold such reproductions ("JMW's counterfeit goods").

22. The preparation, reproduction, and distribution of JMW's counterfeit goods has been done and continues to be done without license from Plaintiff, contrary to the desires of Plaintiff's and without his consent.

23. Upon information and belief, by the acts alleged herein, Defendants have counterfeited Plaintiff's copyrighted work and have induced or contributed to the infringement of Plaintiff's copyright by third parties, by authorizing others to distribute Plaintiff's copyrighted work. Defendant JMW will continue to do so unless enjoined by this Court.

24. Plaintiff formally notified Defendants that they were infringing Plaintiff's rights in a letter dated June 10, 2003. Exhibit 2.

25. Defendants' infringement of Plaintiff's copyright has caused and is causing Plaintiff irreparable injury, loss, and damages, and unless Defendants are restrained from continuing their wrongful infringement, the irreparable damage to Plaintiff will increase without and adequate remedy at law.

26. Defendants' past, present, and continued infringement of Plaintiff's copyright is willful and malicious infringement in intentional disregard of Plaintiff's rights.

WHEREFORE, for its relief, Plaintiff Robert Real prays that:

- a) Defendants, their officers, agents, servants, employees and attorneys and all persons in active concert or participation with them, be enjoined, preliminarily and permanently, from acts of copyright infringement pursuant to 17 U.S.C. §502, including but not limited to being enjoined from directly or indirectly infringing the copyright of Plaintiff in any manner and from causing, contributing to or participating in the use, reproduction or distribution of Plaintiff's copyrighted work pursuant to Copyright Registration No. Vau 530-815;
- b) Defendants be required to deliver to be impounded, during the pendency of this action, and destroyed upon conclusion of this action, all material which infringes Plaintiff's copyright pursuant to 17 U.S.C. §§503 and 509.
- c) Defendants be required to notify each recipient of Defendants' infringing works that Plaintiff Robert Real is the true author of the work and the owner of the copyright at issue.
- d) Defendants to account for all gains, profits and advantages derived by Defendants from their infringement of Plaintiff's copyright, and be required to pay Plaintiff such damages and profits as provided by 17 U.S.C. § 504, plus interest.

- e) At Plaintiff's option, to award him statutory damages up to \$150,000, pursuant to 17 U.S.C. §§ 504(b) and -(c)(2), plus interest; and
- f) Plaintiff Robert Real be awarded its costs and attorneys' fees incurred in prosecuting this action, as provided by 17 U.S.C. § 505, plus interest.
- g) This honorable court award such other and further relief as it deems just and proper.

COUNT III
COMMON LAW UNFAIR COMPETITION

27. Plaintiff incorporates the averments in Paragraphs 1 through 9 as though restated herein in their entirety.

28. Defendants have misappropriated, and have been unjustly enriched from Plaintiff's property rights. Such acts of Defendants constitute unfair acts of competition.

29. The aforesaid acts of the Defendants have been and will be committed willfully and with full knowledge of the rights of plaintiff and with the intention of deceiving and misleading the public and of wrongfully misappropriating and trading upon the nationally recognized value of the good will and reputation of the plaintiff and of benefiting from and depriving plaintiff of the benefits arising from his said reputation and goodwill inhering therein.

30. The defendants' said misappropriation and unfair competition will interfere with the plaintiff's rights and ability to exploit the commercial value of his patented and copyrighted articles.

31. Defendants have and will continue to receive substantial profits from their unauthorized use and misappropriation of plaintiff's property rights, and Defendants will become unjustly enriched thereby. The Defendants'

aforementioned willful and unauthorized misappropriation will cause substantial and irreparable damage, injury, and loss to the Plaintiff and constitute unfair competition.

32. By reason of the defendants' acts alleged herein, plaintiff has suffered and will continue to suffer damage to his reputation and goodwill, and has lost sales and profits he would have made but for the defendants' acts.

33 Unless the Defendants' acts of misappropriation and unfair competition are immediately restrained and enjoined, the plaintiff will suffer irreparable injury in that defendants' actions will:

- (a) lessen and dilute the value of the plaintiff's merchandising rights;
- (b) interfere with his ability to exploit, market, and license such rights;
- (c) create confusion in the marketplace as to the duly authorized source of Plaintiff's merchandise; and
- (d) deprive plaintiff of his just revenues based upon his legal exploitation of his property rights.

34. It will be impossible to ascertain the amount of compensation which could afford Plaintiff adequate relief for such threatened continuing acts, and a multiplicity of judicial proceedings would be required. Moreover, the remedies at law are inadequate to compensate plaintiff for injuries suffered and threatened.

WHEREFORE, plaintiff prays that:

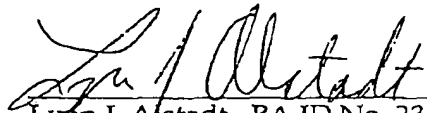
- a) Defendants, their agents, servants, employees, officers, attorneys, successors and assigns and all persons acting under the defendants or on their behalf, be enjoined *pendente lite* and permanently from: 1) manufacturing, distributing, selling, offering for sale, holding for sale,

or advertising any flag substantially similar to or likely to be confused with Plaintiff's Flag; 2) representing, by either omission or commission, that any article of merchandise manufactured, distributed, sold, held for sale or advertised by them is sponsored or authorized by the Plaintiff; (3) importing, making, having made for them, selling, distributing or disposing of in any manner any advertisements or promotional material including ad mats, point of sale devices, catalogs, letters, posters or brochures referring to the Plaintiff's Flag or a colorable imitation thereof; (4) filling any order for merchandise likely to be confused with or substantially similar to Plaintiff's Flag. 5) engaging in any other unfair trade practices or unfair competition against the Plaintiff; (f) aiding, abetting, encouraging or inducing another to do any of the acts herein enjoined.

- b) Defendants, and each of them, be required to account and pay over to the Plaintiff all gains, profits and advantages derived by each of them from their adjudged unfair competition with the Plaintiff, as well as the damages which the Plaintiff has sustained by reason of the Defendants' said acts.
- c) The Court award punitive and exemplary damages against the Defendants and in favor of the Plaintiff in such sum as it determines at trial by reason of the said Defendants' misappropriation.
- d) The Defendants and each of them be required to pay to the Plaintiff the costs of this action, and reasonable attorneys' fees to be allowed by the Court.

- e) The Defendants be required to deliver up to the Plaintiff all merchandise and material in their possession or under their control which is subject to the injunctive order of this Court, including all infringing flags, as well as negatives, positives, plates, molds, matrices, film positives and negatives, screens, and any other materials for making the infringing flags, for the purpose of destruction or other disposition.
- f) The defendants be required to withdraw from their customers, retailers and all others all of the infringing materials, and deliver up the same to the plaintiff for destruction or disposition.
- g) Plaintiff have such other and further relief as the Court deems just and proper.

RESPECTFULLY SUBMITTED,


Lynn J. Alstadt, PA ID No. 23487
Buchanan Ingersoll Professional
Corporation
301 Grant Street, 20th Floor
Pittsburgh, PA 15219-1410
(412) 562-1632

Attorneys for Plaintiff

Exhibit 1



US00D464590S

(12) **United States Design Patent** (10) Patent No.: **US D464,590 S**
Real (45) Date of Patent: **** Oct. 22, 2002**

(54) **FLAG**(76) Inventor: **Robert Real, 15840 SW 106 Ter.,
Miami, FL (US) 33196**(*) Term: **14 Years**(21) Appl. No.: **29/149,140**(22) Filed: **OCT. 3, 2001**(51) LOC (7) Cl. **11-05**(52) U.S. Cl. **D11/165**

(58) Field of Search **D11/108, 109,
D11/111, 165, 166, 167, 168, 169, 170,
171, 172, 173, 174, 175, 176, 177, 178,
179, 180, 181, 182, 183; D20/11; 116/173,
174, 175**

(56) **References Cited**
U.S. PATENT DOCUMENTS

D91,882 S - 4/1934 Kaupmann D11/111

D132,705 S - 6/1942 Wittmann D11/103
D273,576 S - 4/1984 Millan-Perichon D11/167

* cited by examiner

*Primary Examiner—Doris V. Coles**Assistant Examiner—Elizabeth A. Albert*(74) *Attorney, Agent, or Firm—Gold & Rizvi, P.A.; M. John
Rizvi; Glenn E. Gold*(57) **CLAIM**

I claim the ornamental design for a flag, as shown.

DESCRIPTION

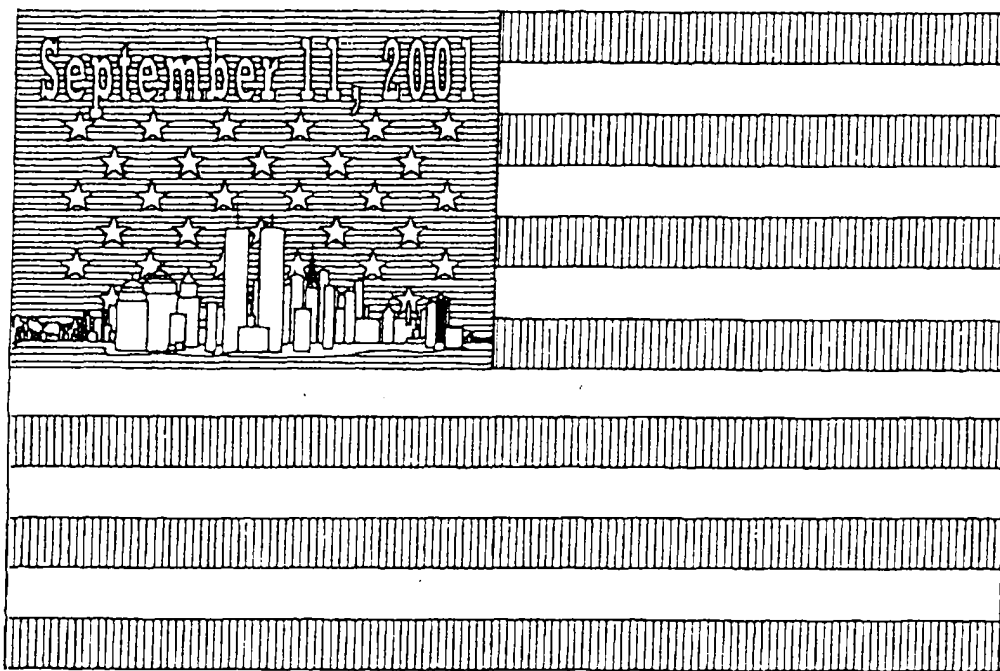
FIG. 1 is a front elevation view of a flag showing my new design;

FIG. 2 is a right side view, the left side view being a mirror image thereof;

FIG. 3 is a rear elevation view; and,

FIG. 4 is a bottom view, the top view being a mirror image thereof.

1 Claim, 2 Drawing Sheets



U.S. Patent

Oct. 22, 2002

Sheet 1 of 2

US D464,590 S

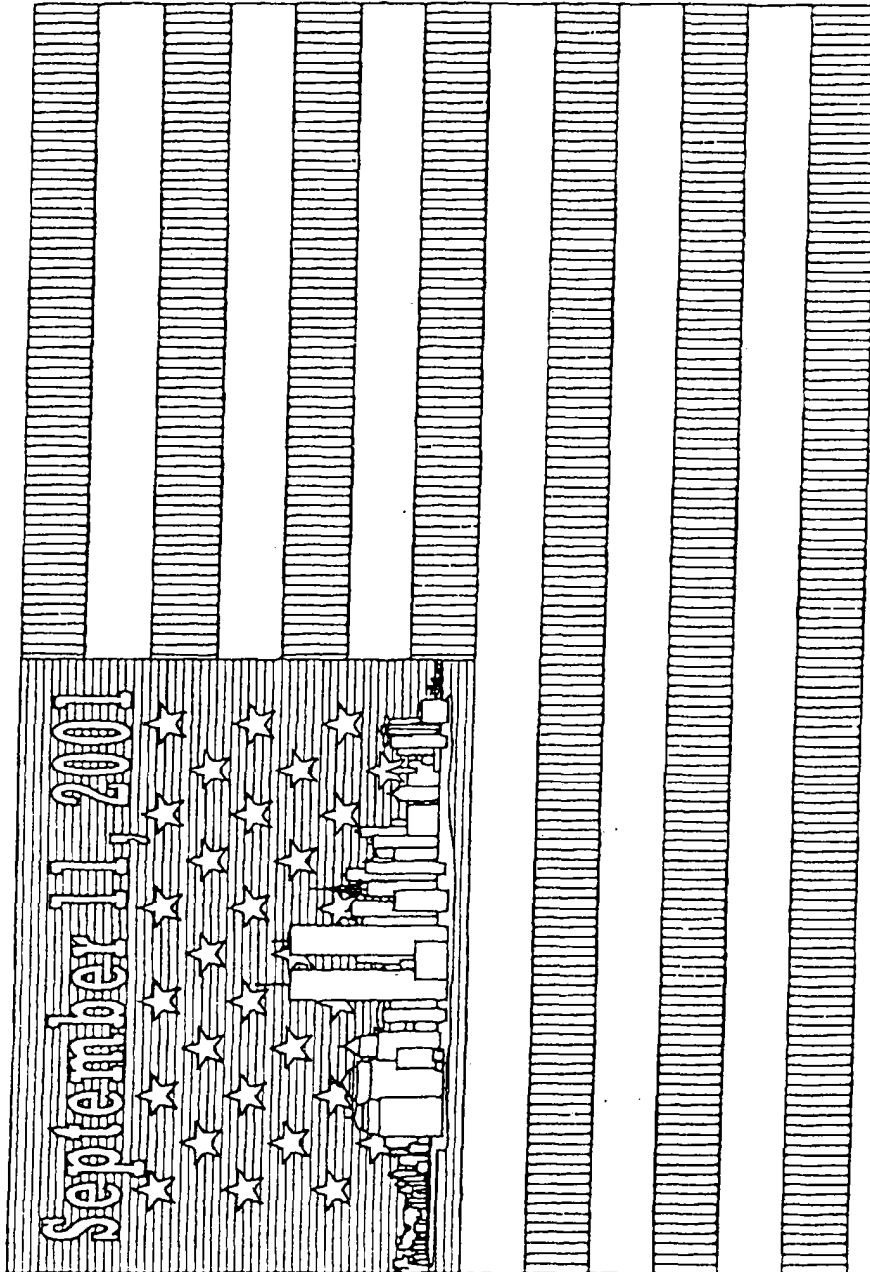


FIG. 1

FIG. 2

U.S. Patent

Oct. 22, 2002

Sheet 2 of 2

US D464,590 S

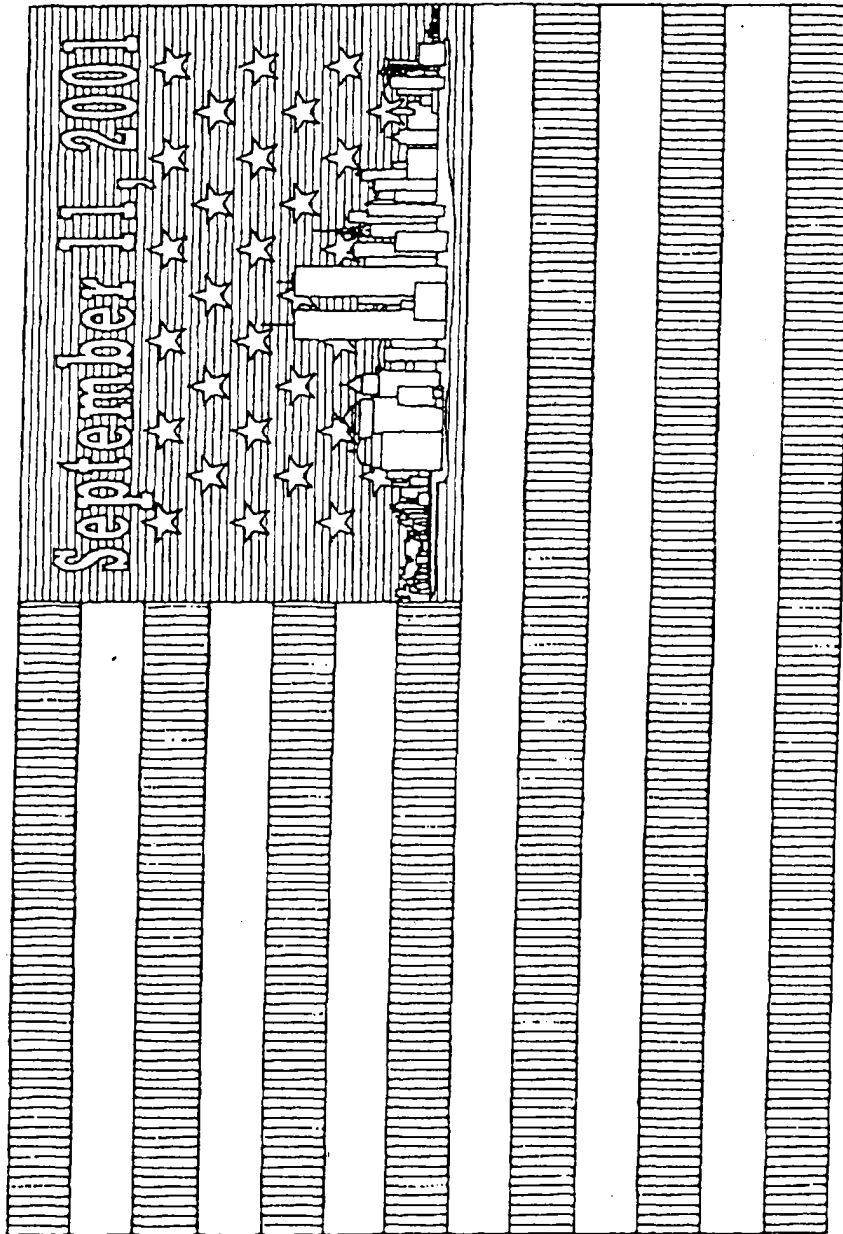


FIG. 3

FIG. 4

Exhibit 2

Sanchelima & Associates, P.A.
Attorneys at Law

Patent, Trademark & Copyright Law

J. Sanchelima, Patent Attorney
Maitte R. Netsch, Esq.
Albert Bordas, Reg. Patent Attorney

Tel: 305-447-1617
Fax: 305-445-8484
jay@sanchelima.com
www.sanchelima.com

Tuesday, June 10, 2003

J. Marcus Wholesalers
Attn: Mr. Phil Marcus
1728 Smallman Street
Pittsburgh, PA 15222

Via Fax: (412) 261-3590

Via Certified Letter: P7002 0460 0000 5643 8432

Re: Patent and Copyright Infringement of 9/11 Flag
Our File No. 230070

Dear Mr. Marcus:

We are privileged to represent Mr. Robert Real. Our client is the owner of U.S. patent No. D464,590 for the design of the "9/11 Flag," a copy of which is attached for your reference. Exhibit A. Our client also owns the copyright over the original work of authorship representing that same design for the "9/11 flag." Exhibit B.

It has come to our client's attention that your company is selling a flag with a design that infringes our client's copyright and patent rights.

You are hereby notified that you must immediately cease and desist from selling those goods or similar ones. In view of the serious damage, which will result by the infringing goods offered to the public by your company, we demand that you take the following steps:

1. Remove all offending goods from the market immediately.
2. Provide prompt written assurances that you will cease and desist from selling those goods.
3. Provide us with an accounting of all infringing goods sold and those in inventory.
4. Provide us with the identity of your sources for the infringing goods.

235 S.W. LeJeune Road • Miami, Florida 33134-1762

Mr. Phil Marcus
Thursday, June 5, 2003
Page Two

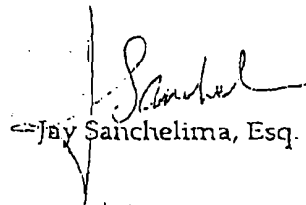
You may or may not know that the Patent and Unfair Competition Laws of the United States provide for remedies that enable a patent owner to obtain the profits of an infringer, immediate injunctions, destruction of infringing goods and, in cases of willful infringement, attorney's fees and other penalties. Similarly, the Copyright Laws of the United States provide for an award of damages, profits of an infringer, immediate injunctions, destruction of infringing goods and, in cases of willful infringement, attorney's fees and other penalties. In addition, statutory damages and an action for criminal infringement are available to a copyright plaintiff

Unless a reply is received within ten (10) days from the date you receive this letter, rest assured we will seek all available legal remedies.

PLEASE GOVERN YOURSELVES ACCORDINGLY.

Very truly yours,

SANCHELIMA & ASSOC., P.A.



Jay Sanchelima, Esq.

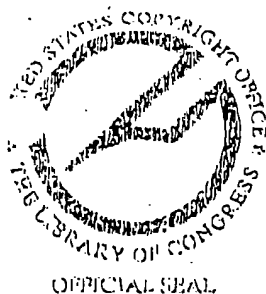
cc: file

JS/mj

Sanchelima & Associates, P.A.
Attorneys at Law

Exhibit 3

CERTIFICATE OF REGISTRATION



This Certificate issued under the seal of the Copyright Office in accordance with title 17, United States Code, attests that registration has been made for the work identified below. The information on this certificate has been made a part of the Copyright Office records.

Marybeth Peters
 REGISTER OF COPYRIGHTS
 United States of America

FORM VA

For a Work of the Visual Arts,
UNITED STATES COPYRIGHT OFFICE

VAU 530-015



EFFECTIVE DATE OF REGISTRATION

OCT 09 2001

Month Day Year

DO NOT WRITE ABOVE THIS LINE. IF YOU NEED MORE SPACE, USE A SEPARATE CONTINUATION SHEET.

TITLE OF THIS WORK

NATURE OF THIS WORK

FLAG DESIGN

FLAG DESIGN

PREVIOUS OR ALTERNATIVE TITLES

Publication as a Contribution: If this work was published as a contribution to a periodical, serial, or collection, give information about the collective work in which the contribution appeared. Title of Collective Work

If published in a periodical or serial give: Volume

Number

Issue Date

On Paper

NAME OF AUTHOR

ROBERT REAL

DATES OF BIRTH AND DEATH

Year Born

Year Died

NOTE

Under the law, the "author" of a "work made for hire" is generally the employer, not the employee (see "Instructions," page 1). For any part of this work that was "made for hire," check "Yes" in the column provided, also the "work made for hire" column for the work (the work will appear as "Author" of that work, and leave the space for name of birth and death blank).

Was this contribution to the work a "work made for hire?"

☐ Yes
☒ No

Author's Nationality or domicile

Name of Country

OR

Citizen of

UNITED STATES

OR

Domiciled in

MIAMI, FLORIDA

Was This Author's Contribution to the Work

Anonymous?

☐ Yes ☒ No

Pseudonymous?

☐ Yes ☒ No

If the answer to either of these questions is "Yes," see standard instructions.

NATURE OF AUTHORSHIP Check appropriate box(es). See Instructions

☐ 3-Dimensional sculpture

☐ Map

☐ Technical drawing

☐ 2-Dimensional artwork

☐ Photograph

☐ Text

☐ Reproduction of work of art

☐ Jewelry design

☐ Architectural work

NAME OF AUTHOR

DATES OF BIRTH AND DEATH

Year Born

Year Died

Was this contribution to the work a "work made for hire?"

☐ Yes
☒ No

Author's Nationality or domicile

Name of Country

OR

Citizen of

UNITED STATES

OR

Domiciled in

MIAMI, FLORIDA

Was This Author's Contribution to the Work

Anonymous?

☐ Yes ☒ No

Pseudonymous?

☐ Yes ☒ No

If the answer to either of these questions is "Yes," see standard instructions.

NATURE OF AUTHORSHIP Check appropriate box(es). See Instructions

☐ 3-Dimensional sculpture

☐ Map

☐ Technical drawing

☐ 2-Dimensional artwork

☐ Photograph

☐ Text

☐ Reproduction of work of art

☐ Jewelry design

☐ Architectural work

Year in Which Creation of This Work Was Completed

2001

This information must be given in all cases.

Date and Notice of First Publication of This Particular Work

Complete this information ONLY if this work has been published:

Month

Day

Year

COPYRIGHT CLAIMANT(S) Name and address must be given even if the claimant is the same as the author given in space 2.

ROBERT REAL
 15840 SW 106 TERRACE
 MIAMI, FLORIDA 33196

Transfer: If the claimant(s) named here in space 4 is (are) different from the author(s) named in space 2, give a brief statement of how the claimant(s) obtained ownership of the copyright.

APPLICATION RECEIVED

ONE DEPOSIT RECEIVED

TWO DEPOSITS RECEIVED

FUNDS RECEIVED

MORE ON BACK

Complete all application space numbers fully on the reverse side of this page.
 - Sign the form at line 8.

100 WIDE WHITE FORMS
 Page 1 of 2 forms

Exhibit 4

American flags, US flags, flag pins, USA flag, Car flag.

8/20/03 10:21 AM

FlagsonCARS

- About Us
- Product Catalog
- Current Events
- Our Donations
- Flag Etiquette
- Join Mailing List
- Affiliate Program
- Wholesale Information
- Contact Us

Order on-line
or
Call Toll Free:
866-WTC-FLAG
(982-3524)

Learn More About Our
September 11th Fund
Donations



Flagsoncars.com is proud to
announce the issuance of
Patent #464590 for our
Commemorative World Trade
Center logo design.

Check out our Commemorative
products here

**AMERICAS & AMERICAS INC.****Your American Patriotic Store****ALL ITEMS IN STOCK!!!**

**Exclusive Patented 9-11-01* Merchandise
available here!!**

**Our prayers and thoughts are with the
troops in Iraq and for their safe return.**



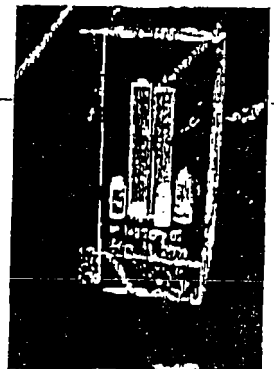
[Click Here](#) to browse our Catalog

Flags On Cars, a division of Americas & Americas Inc., offers American flags, US flag products, car flags, American flag lapel pin, flag hats, stick flags, car magnets. We carry many types of 911, WTC and Support our troops patriotic products such as magnetic car flags, flag lapel pin, antenna flags, flag decals and patriotic figurines. We also offer our exclusive patented World Trade Center Commemorative Flag and 911 patriotic products. Make Flags on Cars your source for all your US patriotic memorabilia including our American flag lapel pin items, World Trade Center (WTC) Commemorative products, September 11, 2001 (9-11) patriotic products and support our troops patriotic products.

Currently our product line consists of the following products: Sept 11th (9-11-01) Commemorative Products, Support Our Troop Products, Patriotic products including Yellow Ribbon Products, Peace Flag Products, Products for Your Car, Car Flags, Magnets, Pins and Jewelry, Signage, 3' X 5' Flags, Hand Held Stick Flags, Headwear, Tote Bags, Clothing, Patriotic Items for Kids, Figurines and Crystals and other Patriotic Miscellaneous Items. Check back frequently as we add new US patriotic memorabilia including our American flag lapel pin items, World Trade Center (WTC) Commemorative products, September 11, 2001 (9-11) patriotic products and support our troops patriotic products.

**Free Car Flag !!!**

**CHECK IT OUT!!
CLICK HERE**

On Sale Now !!

**WTC Laser Crystal
Paperweight
Originally \$39.95
On SALE \$29.95
Click here to order**

Free Flag Pin !!!

**Free Flag Pin with
every order.
CLICK HERE**

Free Indoor Flag

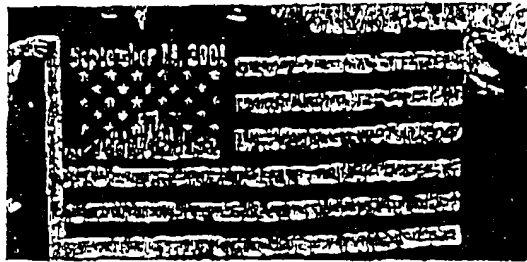
**Free indoor American
Flag with all orders
over \$150.00*
CLICK HERE**

Weekly Specials

**CLICK HERE to see a
listing of our current
discounted patriotic
items.**

American flag, US flag, flag pin, USA flag, Car flag.

8/20/03 10:21 AM



Patent #464590

Flag Flying High at Ground Zero
Presented to Port Authority of NY & NJ
Exclusively Only Here!!
September 11, 2001 - World Trade Center
Commemorative Products !!!!

- Family owned and operated since 1996
- No minimum purchase Required
- On-line orders received by 3pm EST will be shipped out the same day
- All Products in Stock unless otherwise noted
- Fund Raising activities and Charitable events are welcome

We kindly accept the following:



[Click Here to browse our Catalog](#)

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Americas & Americas, Inc.

Contact Us Toll Free:
866-WTC-FLAG
Site Map

9/11, 9/11, world trade center, support our troops, flag plus, USA flag, Car flag.

1/20/03 10:33 AM

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Learn More About Our
September 11th Fund
Donations

**About us****Company Profile:**

Americas & Americas, Inc. d.b.a. Flags on Cars, is the Premier online provider for American flags and patriotic products. Our headquarters and warehouse is located in Miami, Florida. We have over 12,000 square foot of office/warehouse space. We specialize in Promotional American Patriotic Products and our exclusive patent September 11th commemorative flag products.

We pride ourselves on supplying our customers with only the best American patriotic products available. Our commitment is to provide flags and patriotic products to our customers in a timely fashion. We also strive to provide excellent customer service by answering most customer inquiries within one business day. We participate with many fund raising organizations and charitable events such as Parents Teacher Association, Girl Scouts of America and the Special Olympics. We also work closely with many professional sports promotional organizations.

I am pleased to announce that Americas & Americas Inc. has been nominated for 2003 Florida's Outstanding Business Award sponsored by Ernst & Young, USA Today, CNN and The Nasdaq Stock market. We thank you for visiting our web site.

Sincerely,

Robert Real
President

[Click Here to browse our Catalogue](#)

Flag Etiquette

CLICK HERE to Learn how to PROPERLY and proudly wave your flag!

Our Donations

Did you know that FlagsonCars.com donated \$10,000.00 to the United Way for the Sept. 11 fund.

CLICK HERE for full details.

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Contact us Toll Free: 866-WTC-FLAG

American Flags, US Flags, Flag Pins, USA Flag, Car Flags

10/25/05 10:34 AM

FlagsonCARS

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Phone Orders
Customer Service
Representatives are
ready to take your
order

Call Toll Free
866-WTC-FLAG
(982-3524)

Learn More About Our
September 11th Fund
Donations



Products

Your American Patriotic Store

Family owned and operated since 1996.

No minimum purchase required.

On-line orders received by 3pm EST will be shipped out same day (excluding Sundays).

Our prayers and thoughts are with the troops in Iraq and for their safe return home.



Real Heroes

Select from the below product categories.

Sept 11th Commemorative Products

- Flags
- Pins
- Magnets

Support Our Troop Products

- Flags
- Pins
- Magnets

Patriotic Yellow Ribbon Products

- Flags
- Pins
- Magnets

Patriotic Peace Flag Products

- Flags
- Pins
- Magnets

Patriotic Products for Your Car

- Car Magnets
- Car Decals
- License Plate Frames
- Bumper Stickers

Patriotic Car Flags

- Window Flags
- Antenna Flags
- Motorcycle Flags

Patriotic Magnets

- Car Magnets
- Refrigerator Magnets

Patriotic Pins and Jewelry

- Flag Lapel Pins / Buttons
- Rhinestone Jewelry
- Sept. 11 Pins
- Best Seller Pins
- Exclusive Designer Pins

Patriotic Signage

- Decals
- Magnets
- Reflectors by 3M
- Stickers
- Tattoos

Patriotic 3' X 5' Flags

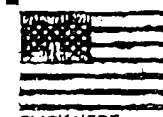
- Outdoor Flags
- Indoor Flags
- Residential Flag Kits and Poles

[Free Car Flag III](#)

Weekly Specials

CLICK HERE to see a listing of our current discounted patriotic items.

9.11 Products

[CLICK HERE](#)

Phone Orders

Customer Service
Representatives
are ready to take
your order.

Toll Free
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(982-3524)

Our Donations

10/25/05 10:34 AM

United States Flag, US Flag, Flag, USA Flag, Car Flag

- Patriotic Hand Held Stick Flags
 - Hand-Held Flags
 - Parade Flags

- Patriotic Headwear
 - Scarves
 - Bandanas
 - Skull Caps
 - Hair Scrunchies / Hair Bands

- Patriotic Tote Bags
 - Canvas Tote Bag
 - Drawstring Tote Bag
 - Clear Vinyl Tote Bag
 - Fanny Pack (Belly Bag)

- Patriotic Clothing
 - T-Shirts
 - Neck Ties
 - Scarfs

- Patriotic Items for Kids
 - Vinyl Foam Football
 - Vinyl Kick-Balls
 - Hero Pencils
 - Tattoos non-toxic

- Patriotic Figurines & Crystals
 - World Trade Center Crystals
 - Guardian Angel with Flags
 - Miss Liberty with Flags

■ \$0.99 Cents or Less

- Patriotic Miscellaneous Items
 - Folding Flag Fans
 - 9-11-01 Never Forget Book
 - Flag Beach Towel

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http://www.flagconcepts.com/Products.htm

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+

06-17-2005 10:32AM FROM-J MARCUS

06-20-'05 16:36 FROM-ME INSURANCE

4124461022

T-002 P02/51 U-573

Heather M. Miranda
Tel. (410) 338-9910
Fax (410) 554-3042
e-mail: Heather.Miranda@ZurichNA.com



May 11, 2004

J. Marcus Wholesalers
1728 Smallman Street
Pittsburgh, PA 15222
Attn: Phil Marcus

RE: INSURED: J. Marcus Wholesalers
CLAIMANT: Real, Robert
OUR CLAIM NO: 553-0040052

Dear Mr. Marcus:

Zurich North America
Services

3910 Keswick Road
Baltimore, MD 21211
Phone (410) 366-1000
www.Zurichna.com

This loss was submitted for consideration of coverage under your Northern Insurance Company of New York policy ("New York") PAS 36821230, effective 9/30/01-02 and your Assurance Company of America policies ("Assurance") PAS 36821230, effective 9/30/02-03 and 9/30/03-04. The insurance companies above shall be collectively called "the companies." The liability limits for the policies are \$1 million for personal injury and advertising per occurrence and \$1 million personal and advertising injury aggregate.

J. Marcus Wholesalers has been sued for the sale of a flag which is alleged to be the same flag that the plaintiff has a US Patent and a Copyright on. The plaintiff sues the insured for Infringement of a US Patent, Copyright Infringement, and Common Law Unfair Competition.

I have had a chance to review these policies and the companies must disclaim coverage under the policies above for the reasons below.

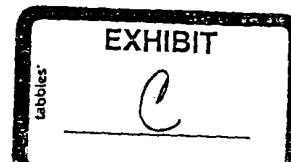
The insured's policies contain the following amended insuring agreement to Coverage A:

SECTION I - COVERAGES

COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. Insuring Agreement

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or



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Mr. Phil Marcus
May 11, 2004
Page 2



"property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III – Limits of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A or B.

b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory";
- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II – Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II – Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of

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Mr. Phil Marcus
May 11, 2004
Page 3



that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:
 - (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
 - (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that the "bodily injury" or "property damage" has occurred or has begun to occur.
 - e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss or services or death resulting at any time from the "bodily injury".
3. **"Bodily injury"** means bodily injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death resulting from bodily injury, sickness or disease.
17. **"Property damage"** means
- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
 - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
13. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

The above language as contained in the policy provides that the duty of the companies to indemnify and/or defend does not arise unless there is an "occurrence" which results in "bodily injury" or "property damage" during the policy period. If it is determined that the damages

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Mr. Phil Marcus
May 11, 2004
Page 4



claimed by the plaintiffs do not constitute "bodily injury" or "property damage" as defined in the policy, no coverage will be provided.

Plaintiffs have not suffered "bodily injury" or "property damage" as defined above, as such there is no coverage under Section 1. Coverage A.

Your policies also contain the following insuring agreement for Coverage B:

COVERAGE B. PERSONAL AND ADVERTISING INJURY LIABILITY

1. Insuring Agreement.

a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we may have no duty to defend the insured against any "suit" seeking damage for "personal and advertising injury" to which this insurance does not apply. We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we pay for damages is limited as described in SECTION III - LIMITS OF INSURANCE; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverage A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS - COVERAGES A AND B.

b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

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Mr. Phil Marcus
May 11, 2004
Page 5



- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication of material that violates a person's right of privacy;
- f. Misappropriation of advertising ideas or style of doing business; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

The above language as contained in the policies provide that the duty of the companies to defend does not arise unless there is an injury arising from one of the covered offenses listed in the definition of "personal injury or advertising injury" that occurs during the policy period. If it is determined that the damages claimed by the plaintiffs do not constitute "personal injury or advertising injury" as defined in the policies, no coverage will be provided. Additionally, if facts reveal that the alleged offense that gives rise to "personal injury or advertising injury" occurred outside of the period during which the policies were in effect, there would be no coverage for the claims presented. The companies specifically reserve their rights to decline to indemnify policy holder in the event that the damages alleged by the plaintiffs do not constitute "personal injury or advertising injury", and were not caused by an offense during the policy period.

The suit against the insured does not fall within the definition of "personal and advertising injury" above. The complaint does not allege that the plaintiff was injured because of your advertising activity. They allege injury from the sale of their product and not that any advertisement that: disparaged or defamed anyone or a product, violated a person's right of privacy, misappropriated ideas, or infringed upon anyone's copyright, trade dress or slogan. As such, the allegations in the suit are not covered under Section 1. Coverage B.

The following exclusionary language is in your policy:

Exclusions

This insurance does not apply to:

- (a) "Personal and advertising injury":
 - (1) Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury";
 - (2) Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;

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Mr. Phil Marcus
May 11, 2004
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- (3) Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period;
- (4) Arising out of the willful violation of a penal statute or ordinance committed by or with the consent of any insured;
- (5) For which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement;
- (6) Arising out of a breach of contract, except and implied contract to use another's advertising idea in your "advertisement";
- (7) Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- (8) Arising out of the wrong description of the price of goods, products or services stated in your "advertisement";
- (9) Committed by an insured whose business is advertising, broadcasting, publishing or telecasting. However, this exclusion does not apply to Paragraphs 1 4.a., b. and c. of "personal and advertising injury " under SECTION V- DEFINITIONS; or
- (10) Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

b. Any loss, cost or expense arising out of any:

- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing or in any way responding to, or assessing the effects of "pollutants".

Many of the above exclusions may also apply to the current case. The companies reserve their rights to deny coverage based upon the exclusions above.

Accordingly, please be advised that there is no coverage under your policies for either defense or indemnification in this action. In addition to the above-described issues, other defenses and exclusions may apply to this claim. We reserve the right to revise this declination of coverage and to invoke any additional defenses, exclusion, limitations or policy provisions. This letter should in no way be construed as a waiver or estoppel of any potential coverage defenses afforded by the policy or applicable law.

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Mr. Phil Marcus
May 11, 2004
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In the event information is developed, or you have information in your possession which you believe would cause us to reassess our position regarding coverage for this matter, please notify us.

Should you have any questions or concerns regarding the content of this letter, please do not hesitate to contact me at (410) 338-9910.

Very truly yours,
Assurance Company of America
And
Northern Insurance Company of New York

BY:
Heather Miranda
Account Specialist

cc: Morrell Butz & Junker
100 Park Manor Drive
Pittsburgh, PA 15205-1012

ANNIVERSARY EFF 09/30/2002

09/11/2002

06-20-'05 16:37 FROM-MB. NSURANCE

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T-002 P10/51 U-573

18612

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 38821230 | | 18840383 | | MC08812281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 08/30/2002 |

**ZURICH**

**PRECISION PORTFOLIO POLICY
SUPPLEMENTAL DECLARATIONS
PRECISION AMERICA
WHOLESALE PROGRAM**

| COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER | FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION |
|--|--|
| COMMON 955007 0300 | COMMON POLICY DECLARATIONS |
| | RETAINED MINIMUM PREMIUM |
| | Commercial Property & Commercial General Liability - \$100 |
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T-002 P11/51 U-573

19814

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------|---------------|----|-----------------|----|----------------------|-------|
| D | PAS 38821230 | | 18840383 | | MO08912281-001-00001 | NONE |

BRANCH 35 ZURICH GROUP-PI

ANNIVERSARY EFF 09/30/2002

**ZURICH**

PRECISION PORTFOLIO POLICY COMMERCIAL PROPERTY DECLARATIONS

PRECISION AMERICA WHOLESALE PROGRAM

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list.

For descriptions of premiums, see the attached buildings and personal property schedule.

Insurance at the described premises applies only for coverage for which a limit of insurance is shown. These may be found in this declarations and the attached schedules.

| PRIMARY PROPERTY COVERAGES | DEDUCTIBLE | LIMITS |
|--|------------|-----------------------|
| SCHEDULED BUILDINGS | \$1,000 | SEE SCHEDULE |
| AUTOMATIC BUILDING INCREASE | NONE | 2.5% OF LIMITS |
| SCHEDULED PERSONAL PROPERTY | \$1,000 | SEE SCHEDULE |
| PEAK SEASON PERSONAL PROPERTY INCREASE | NONE | 50% OF LIMIT |
| | | |
| | | |
| | | |
| ADDITIONAL COVERAGES | DEDUCTIBLE | LIMITS |
| ACCOUNTS RECEIVABLE* | NONE | \$25,000 |
| ANTENNAE AND SATELLITES* | \$1,000 | \$1,000 |
| BI & EE - DEPENDENT PROPERTIES - 30 DAYS | NONE | ACTUAL LOSS SUSTAINED |
| BI & EE - NEWLY ACQUIRED PROPERTIES - 180 DAYS | NONE | \$250,000 |
| LOSS OF BUSINESS INCOME (BI) AND EXTRA EXPENSE (EE) - 12 MOS | NONE | ACTUAL LOSS SUSTAINED |
| DEBRIS REMOVAL - EACH LOCATION | NONE | \$10,000 |
| DEFERRED PAYMENTS | NONE | \$5,000 |
| EDP EQUIPMENT AND MEDIA - BLANKET | \$1,000 | \$27,000 |
| EMPLOYEE DISHONESTY* | NONE | \$10,000 |
| FINE ARTS - BLANKET* | \$1,000 | \$10,000 |
| FIRE DEPARTMENT SERVICE CHARGE | NONE | \$10,000 |
| FIRE EXTINGUISHING EQUIPMENT RECHARGE | NONE | \$1,000 |
| FORGERY OR ALTERATION* | NONE | \$10,000 |
| FREE-STANDING FENCES & WALLS* | \$1,000 | \$2,500 |

* The limits for these coverages may be increased. Contact your agent.

COMMERCIAL PROPERTY

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09/11/2002

06-20-'05 16:38 FROM-MBJ INSURANCE

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T-002 P12/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------|---------------|----|-----------------|----|----------------------|-------|
| D | PAS 38821230 | | 18840383 | | MO08812281-001-00001 | NONE |

BRANCH 35 ZURICH GROUP-PI

ANNIVERSARY EFF 09/30/2002

**ZURICH**

**PRECISION PORTFOLIO POLICY
COMMERCIAL PROPERTY DECLARATIONS
PRECISION AMERICA
WHOLESALE PROGRAM**

| ADDITIONAL COVERAGES - Continued | DEDUCTIBLE | LIMITS |
|---|------------|-------------------|
| INSTALLATION* | \$1,000 | \$2,500 |
| INVENTORY AND APPRAISAL | NONE | \$5,000 |
| LEASEHOLD INTEREST* | NONE | \$10,000 |
| LOCK AND KEY REPLACEMENT | NONE | \$1,000 |
| MONEY & SECURITIES - INSIDE THE PREMISES/OUTSIDE THE PREMISES* | NONE | \$10,000/ \$2,500 |
| MONEY ORDERS & COUNTERFEIT CURRENCY - \$1,000 MAX. EACH ITEM | NONE | \$5,000 |
| NEWLY ACQUIRED OR CONSTRUCTED BUILDINGS - 180 DAYS | \$1,000 | \$500,000 |
| OFF-PREMISES POWER OR WATER FAILURE* | \$1,000 | \$10,000 |
| PATTERNS, DIES & MOLDS* | \$1,000 | \$5,000 |
| PERSONAL EFFECTS OF OTHERS & PERSONAL PROPERTY OF EMPLOYEES | \$1,000 | \$2,500 |
| PERSONAL PROPERTY AT NEWLY ACQUIRED OR CONST. BLDGS. - 180 DAYS | \$1,000 | \$250,000 |
| PERSONAL PROPERTY AT OTHER LOCATIONS (INCLUDING EXHIBITIONS)* | \$1,000 | \$25,000 |
| PERSONAL PROPERTY IN TRANSIT* | \$1,000 | \$2,500 |
| POLLUTION CLEAN-UP AND REMOVAL - EACH LOCATION | \$1,000 | \$10,000 |
| SALESPERSONS SAMPLES - \$2,500 MAX. EACH EMPLOYEE | \$1,000 | \$10,000 |
| SIGNS* | \$1,000 | \$5,000 |
| SPOILAGE* | \$1,000 | \$5,000 |
| TOOLS & EQUIPMENT INCLUDING COMMUNICATION DEVICES - BLANKET* | \$1,000 | \$5,000 |
| TREES, SHRUBS, PLANTS AND LAWNS - \$1,000 MAX. EACH ITEM | \$1,000 | \$10,000 |
| UNAUTHORIZED BUSINESS CARD USE - \$1,000 MAX. PER OCCURRENCE | NONE | \$5,000 |
| VALUABLE PAPERS & RECORDS* | NONE | \$25,000 |
| | | |

* The limits for these coverages may be increased. Contact your agent.

Mortgagees and Loss Payees are listed on the Commercial Property Supplemental Declarations by building.

COMMERCIAL PROPERTY

951018 Ed 3-00

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09/11/2002

06-20-'05 16:38 FROM-MB. NSURANCE

4124461022

T-002 P13/51 U-573

| DATE | POLICY NUMBER | IC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUTH |
|------|---------------|----|-----------------|----|----------------------|------|
| D | PAS 38821280 | | 18840383 | | MO08812281-001-00001 | NONE |

19818 BRANCH 35 ZURICH GROUP-PI

ANNIVERSARY EFF 09/30/2002

**ZURICH**

**PRECISION PORTFOLIO POLICY
BUILDINGS AND PERSONAL PROPERTY SCHEDULE
PRECISION AMERICA**

LOCATION 01 **BUILDING #** 01 **1728 SMALLMAN STREET** **PITTSBURGH** **PA**

PREMISES PRIMARY**OCCUPANCY:** TOY AND HOBBY SUPPLY DISTRIBUTOR**INSURED'S INTEREST:** OWNER**CONSTRUCTION:** JOISTED MASONRY**PROTECTION CLASS:** 004**SCHEDULED BUILDINGS****SCHEDULED PERSONAL PROPERTY****FULL GLASS BREAKAGE - EXTENDED****BACK-UP OF SEWERS & DRAINS****BUILDING ORDINANCE OR LAW****REPLACEMENT COST****REPLACEMENT COST****DEDUCTIBLE****LIMIT**

\$1,000

\$1,000

\$0

\$1,000

NONE

INCLUDED

\$25,000

\$50,000

LOCATION **BUILDING #**

PREMISES PRIMARY**OCCUPANCY:****INSURED'S INTEREST:****CONSTRUCTION:****PROTECTION CLASS:****DEDUCTIBLE****LIMIT**

06-20-'05 16:38 FROM-MBJ ISURANCE

4124461022

T-002 P14/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 38821230 | | 18840383 | | M008212281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 08/30/2002 |

**ZURICH**

**PRECISION PORTFOLIO POLICY
SUPPLEMENTAL DECLARATIONS
PRECISION AMERICA
(CONTINUED)**

| COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER | FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION |
|--|---|
| PROPERTY 9S1001 0499 | BUILDING AND PERSONAL PROPERTY COVERAGE FORM MORTGAGEE: LOCATION #: 001 BUILDING #: 001 [REDACTED] ATTN: ANN ALLEN P.O. BOX 2977 PITTSBURGH PA 15230-2977 LOAN #: |

COMMERCIAL PROPERTY

855008 Ed 3-00

AGENT'S COPY

09/11/2002

06-20-'05 16:38 FROM-MBJ ISURANCE

4124461822

T-002 P15/51 U-573

19619

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 38821230 | | 18840363 | | M008912281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 09/30/2002 |

**ZURICH**

**PRECISION PORTFOLIO POLICY
SUPPLEMENTAL DECLARATIONS
PRECISION AMERICA
(CONTINUED)**

| COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER | FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION |
|--|--|
| PROPERTY 9S1001 0499 | BUILDING AND PERSONAL PROPERTY COVERAGE FORM LOSS PAYEE: LOCATION #: 001 BUILDING #: 001 NATIONAL CITY BANK ATTN: ANN ALLEN P.O. BOX 2977 PITTSBURGH PA 15230-2977 LOAN #: |

COMMERCIAL PROPERTY

955008 Ed. 3-00

AGENT'S COPY

09/11/2002

06-20-'05 16:38 FROM-MB. NSURANCE

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T-002 P16/51 U-573

| BILL | POLICY NUMBER | TE | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 38821230 | | 18840383 | | M008912281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFP 08/30/2002 |

**ZURICH**

**PRECISION PORTFOLIO POLICY
COMMERCIAL GENERAL LIABILITY DECLARATIONS
PRECISION AMERICA
WHOLESALE PROGRAM**

This coverage part consists of this declarations form, the common policy conditions, and the coverage forms and endorsements indicated as applicable on the forms list

COVERAGES AND LIMITS OF INSURANCE

Some of these coverages are sublimits or are subject to aggregate limits. Refer to your policy to determine how they apply.

PRODUCTS AND COMPLETED OPERATIONS AGGREGATE

\$2,000,000

EACH OCCURRENCE

\$1,000,000

TENANTS LEGAL LIABILITY

\$1,000,000

MEDICAL EXPENSES - EACH PERSON

\$ 10,000

PERSONAL INJURY AND ADVERTISING INJURY

\$1,000,000

06-20-'05 16:38 FROM-MBL INSURANCE

4124461022

T-002 P17/51 U-573

| BEL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 36821230 | | 18840383 | | MO08912281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 09/30/2002 |

**ZURICH**

PRECISION PORTFOLIO POLICY
 COMMERCIAL GENERAL LIABILITY DECLARATIONS
 (CONTINUED)
 PRECISION AMERICA
 WHOLESALE PROGRAM

EXCLUSIONS AND LIMITATIONS

ABSOLUTE ASBESTOS EXCLUSION

06-20-'05 16:38 FROM-ME NSURANCE

4124461022

T-002 P18/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------|---------------|----|-----------------|----|----------------------|-------|
| D | PAS 30821230 | | 18840383 | | M008912281-001-00001 | NONE |

BRANCH 35 ZURICH GROUP-PI

ANNIVERSARY EFF 09/30/2002

**ZURICH**

**PRECISION PORTFOLIO POLICY
COMMERCIAL GENERAL LIABILITY SCHEDULE
PRECISION AMERICA**

| LOC # | CLASS CODE | LOCATION ADDRESS (IF APPLICABLE) CLASSIFICATION NAME | RATING BASIS | ANNUAL EXPOSURE |
|-------|------------|---|----------------|-----------------|
| 01 | 50921 | 1728 SMALLMAN STREET PITTSBURGH PA TOY AND HOBBY SUPPLY DISTRIBUTOR | NOT APPLICABLE | INCLUDED |

COMMERCIAL GENERAL LIABILITY

552003 Ed 3-00

AGENT'S COPY

09/11/2002

06-20-'05 16:38 FROM-MB. NSURANCE

4124461022

T-002 P19/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 36821230 | | 18840363 | | MO08912281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 09/30/2002 |

**ZURICH**

**PRECISION PORTFOLIO POLICY
SUPPLEMENTAL DECLARATIONS
PRECISION AMERICA
WHOLESALE PROGRAM**

| COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER | FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION |
|---|---|
| LIABILITY CG2026 1185 | ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION |
| | SCHEDULE NAME OF PERSON OR ORGANIZATION [REDACTED] |
| LIABILITY CG2026 1185 | ADDITIONAL INSURED - DESIGNATED PERSON OR ORGANIZATION |
| | SCHEDULE NAME OF PERSON OR ORGANIZATION [REDACTED] |
| | |
| | |
| | |
| | |
| | |
| | |

COMMERCIAL GENERAL LIABILITY

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09/11/2002

06-20-'05 16:39 FROM-MBJ INSURANCE

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T-002 P20/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|------|---------------|----|-----------------|----|----------------------|-------|
| D | PAS 38821230 | | 18840383 | | M008912281-001-00001 | NONE |

10023

BRANCH 35 ZURICH GROUP-PI

ANNIVERSARY EFF 09/30/2002

**ZURICH**

**PRECISION PORTFOLIO POLICY
SUPPLEMENTAL DECLARATIONS
PRECISION AMERICA
(CONTINUED)**

| COVERAGE PART(S) AND FORM OR ENDORSEMENT NUMBER | FORM OR ENDORSEMENT NAME AND FORM OR ENDORSEMENT SUPPLEMENTAL INFORMATION |
|--|---|
| LIABILITY CG2015 1188 | <p>ADDITIONAL INSURED - VENDORS</p> <p>NAME OF PERSON OR ORGANIZATION:</p> <p>[REDACTED]</p> <p>710 S. COLLEGE AVENUE</p> <p>BLUEFIELD VA 24605-1639</p> <p>YOUR PRODUCTS:</p> |

COMMERCIAL GENERAL LIABILITY

955008 Ed. 3-00

AGENT'S COPY

09/11/2002

06-20-'05 16:39 FROM-MB. NSURANCE

4124461022

T-002 P21/51 U-573

| UNIT | POLICY NUMBER | PRODUCER NUMBER | ACCOUNT NUMBER | AUDIT PERIOD |
|-----------------------------------|---------------|-----------------|----------------------|----------------------------|
| D | PAS 36821230 | 18840383 | MO08912281-001-00001 | NONE |
| BRANCH 39 ZURICH GROUP-PITTSBURGH | | | | ANNIVERSARY EFF 09/30/2002 |

19824

**ZURICH**

**PRECISION AMERICA
WHOLESALE PROGRAM**

COMMERCIAL UMBRELLA DECLARATIONS

This coverage part consists of this declarations form and the coverage form and endorsements indicated as applicable on the forms list.

LIMITS OF INSURANCE

| | |
|--|-------------|
| GENERAL AGGREGATE LIMIT | \$2,000,000 |
| PRODUCTS AND COMPLETED OPERATIONS AGGREGATE LIMIT | \$2,000,000 |
| EACH OCCURRENCE LIMIT | \$0 |
| RETAINED LIMIT NOT COVERED BY UNDERLYING INSURANCE | \$0 |

SCHEDULE OF UNDERLYING INSURANCE

| TYPE OF LIABILITY | INSURANCE COMPANY | POLICY NUMBER | EXPIRATION DATE | COVERAGE | LIMIT |
|----------------------------------|--|--------------------------|-----------------|--|--|
| Commercial Automobile Liability | EXCLUDED | | | | |
| Commercial General Liability | ASSURANCE COMPANY OF AMERICA PAS 36821230 | 09/30/2002 09/30/2003 | | General Aggregate Limit Products & Completed Operations Aggregate Limit Personal and Advertising Injury Limit Each Occurrence Limit | \$2,000,000 \$2,000,000 \$1,000,000 \$1,000,000 |
| Employers Liability | NORTHERN WC036822493 | 10/01/2000 10/01/2001 | | Bodily Injury Each Accident Bodily Injury By Disease Policy Limit Bodily Injury By Disease Each Employee | \$100,000 \$500,000 \$100,000 |
| AUTO LIABILITY HIRED & NON-OWNED | ASSURANCE COMPANY OF AMERICA PAS 36821230 | 09/30/2002 09/30/2003 | | EACH OCCURRENCE | \$1,000,000 |
| | | | | | |
| | | | | | |

06-20-'05 16:39 FROM-MB. NSURANCE

4124461022

T-002 P22/51 U-573

| BILL | POLICY NUMBER | TC | PRODUCER NUMBER | AC | ACCOUNT NUMBER | AUDIT |
|---------------------------|---------------|----|-----------------|----|----------------------|----------------------------|
| D | PAS 36821230 | | 18840363 | | MO08912281-001-00001 | NONE |
| BRANCH 35 ZURICH GROUP-PI | | | | | | ANNIVERSARY EFF 09/30/2002 |

**ZURICH**

PRECISION PORTFOLIO POLICY
FORMS AND ENDORSEMENTS APPLICABLE
PRECISION AMERICA
ASSURANCE COMPANY OF AMERICA

| FORM NUMBER | PROP | LIAB | AUTO | LINE | FORM OR ENDORSEMENT NAME |
|--------------|------|------|------|------|---|
| UCP608A 0701 | X | | | | NOTICE TO POLICYHOLDER-EXCLUSION FOR SOFTWARE AND DATA-RELATED LOSSES |
| UGL1040A1001 | | X | | | NOTICE TO POLICYHOLDER-ELECTRONIC DATA LIABILITY AMENDMENT |
| 9C0101 0901 | | | | X | NOTICE TO POLICYHOLDER ELECTRONIC DATA LIABILITY AMENDMENT |
| 9S5210 0202 | | X | | | NOTICE TO POLICYHOLDER |
| 982019 0202 | | | | X | NOTICE TO POLICYHOLDER |
| 740276 0502 | | | | | WHOLESALE JACKET |
| 9S5006 0300 | | | | | POLICY COVER PAGE - ASSURANCE COMPANY OF AMERICA |
| 15170 0496 | | X | | | ASBESTOS EXCLUSION |
| 9S5016 0300 | | | | | POLICY INDEX - PROPERTY, LIABILITY AND UMBRELLA COVERAGE PARTS |
| 9S5007 0300 | | | | | COMMON POLICY DECLARATIONS |
| 9S5008 0300 | | | | | COMMON SUPPLEMENTAL DECLARATIONS |
| 9S5008 0300 | X | X | | | SUPPLEMENTAL DECLARATIONS |
| 1L0017 1198 | | | | | COMMON POLICY CONDITIONS |
| 9C0034 0599 | | | | | AMENDATORY ENDORSEMENT - POLICY TERM |
| 1L0246 0702 | | | | | PENNSYLVANIA CHANGES - CANCELLATION AND NONRENEWAL |

* These forms are attached. Remaining forms were attached to a previous copy of the policy.